

**LEWIS COUNTY, WASHINGTON**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For The Year Ended December 31, 2012**

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**NOTE 1 - BASIS OF ACCOUNTING**

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as the county's financial statements. The county uses accrual basis of accounting for all funds except governmental funds, which use the modified accrual basis of accounting.

**NOTE 2 - PROGRAM COSTS**

The amounts shown as current year expenditures represent only federal grant portions of the program costs. Entire program costs, including the county's portion, may be more than shown.

**NOTE 3 - FEDERAL LOANS**

The county was approved by the Environmental Protection Agency and the Washington State Department of Commerce's Public Works Board to receive a loan totaling \$721,822 to improve its drinking water system. In 2012, Amendment A removed the loan fee and reduced the loan amount to \$714,675. The amount listed for this loan includes the proceeds used during the year.

**NOTE 4 - NOT AVAILABLE (N/A)**

The county was unable to obtain another identification number.

**NOTE 5 - NONCASH AWARDS – VACCINATIONS**

The amount of vaccine reported on the schedule is the value of vaccine received and distributed by the county during the year and priced as prescribed by the Washington Department of Health.

**NOTE 6 - SUPPLEMENTAL GRANT AWARDS**

In 2009, preliminary engineering costs for the Winlock Vader Road project exceeded the amount allowed on the grant award for LA-6705. Construction costs for LA-6705 ended in 2010. During the Washington State Department of Transportation final grant review performed in August 2012, unused grant funding for construction costs was moved to allow the additional preliminary engineering costs to be grant reimbursable. Reimbursement of costs was in the amount of \$16,931.

The expenditures incurred in 2009 that did not become reimbursable until 2012 have been included in the expenditure totals reported on the 2012 Schedule of Expenditures of Federal Awards.

**NOTE 7 - MEDICAL ASSISTANCE PROGRAM**

A portion of the reimbursement for contract #1166-35255 is based on expenditures occurring during the third and fourth quarters of 2011. Due to the length of time needed to prepare the billing information, the amount of expenditures associated with the third and fourth quarters of 2011 were not determined in time to be included in the 2011 Financial Statements.

**NOTE 8 - AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009**

Expenditures for this program were funded by ARRA.

**NOTE 9 - INDIRECT COST RATE**

(a) The amount expended for "Schools and Roads Grants to States (CFDA 10.665) includes \$1,538 from Contract Number 07-PA11060300-037 claimed as an indirect cost recovery using an indirect cost rate of 19.51% as approved for 2012 by the Board of County Commissioners on December 19, 2011 through Resolution #11-430.

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(b) The amount expended for "Child Support Enforcement" (CFDA 93.563) includes \$1,959 from Contract Number 0763-15018 and \$46,165 from Contract Number 2110-81382 claimed as an indirect cost recovery using an indirect cost rate of 19.51% as approved for 2012 by the Board of County Commissioners on December 19, 2011 through Resolution #11-430.

(c) The amount expended for "Medical Assistance Program" (CFDA 93.778) includes \$13,339 from Contract Number 1166-35255 claimed as an indirect cost recovery. Billings for the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2011 used the rate of 16.83% in effect for 2011 as approved by the Board of County Commissioners on March 7, 2011 through Resolution #11-071. Indirect costs claimed using the 2011 rate were \$6,285. Billings for 1<sup>st</sup> and 2<sup>nd</sup> quarters of 2012 used the rate of 19.51% in effect for 2012 as approved by the Board of County Commissioners on December 19, 2011 through Resolution #11-430. Indirect costs claimed using the 2012 rate were \$7,054.

**NOTE 10 - AMOUNTS AWARDED TO SUBRECIPIENTS**

(a) Included in the total amount expended for "Schools and Roads" (CFDA number 10.665) is \$134,898 for P.L. 110-343, which was passed through to subrecipients that administered their own projects. This amount includes both current and prior year Title III funds.

(b) Included in the total amount expended for "Emergency Solutions" (CFDA number 14.231) is \$46,832 from Contract Number 13-46107-016 that was passed through to subrecipients that administered their own projects.

(c) Included in the total amount expended for "ARRA - Homelessness Prevention and Rapid Re-Housing Program" (CFDA number 14.257) is \$79,492 from Contract Number 10-46111-616 that was passed through to subrecipients that administered their own projects.

(d) Included in the total amount expended for "Supportive Housing Program" (CFDA number 14.235) is \$28,203 from Contract Number WA0091B0T011003 and \$63,641 from Contract Number WA0091B0T011104 that was passed through to subrecipients that administered their own projects.

(e) Included in the total amount expended for "Violence Against Women Formula Grants" (CFDA number 16.588) is \$4,981 from Contract Number F11-31103-050 that was passed through to subrecipients that administered their own projects.

(f) Included in the total amount expended for "Medical Assistance Program" (CFDA number 93.778) is \$50,662 from Contract Number 1163-27316 that was passed through to subrecipients that administered their own projects.

(g) Included in the total amount expended for "Prevention/Treatment of Substance Abuse " (CFDA number 93.959) is \$97,921 from Contract Number 1163-27316 that was passed through to subrecipients that administered their own projects.

**NOTE 11 - CFDA NUMBER**

The Office of National Drug Control Policy does not use CFDA numbers. The CFDA number provided on the Schedule of Expenditures of Federal Awards was determined per guidance provided in the Budgeting, Accounting, and Reporting System Manual using the Federal Agency's Grant Award Numbers G09NW0003A and G11NW0003A.

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**NOTE 12 - OVER REPORTED 2010 EXPENDITURES**

Expenditures of \$5,962, which were incurred in 2012 under CFDA number 20.106 "Airport Improvement Program" Contract Number DOT-FA09NM-0053, were reimbursed by revenue received in 2010. In 2010, expenditures were mistakenly billed and reimbursed twice. The excess revenue received was applied to expenditures incurred after the billing. Due to this billing error, expenditures were over reported by \$8,108 on the 2010 Schedule of Expenditures of Federal Awards under CFDA number 20.106 "Airport Improvement Program" Contract Number DOT-FA09NM-0053.

**NOTE 13 - UNDER REPORTED 2011 EXPENDITURES**

The following grants incurred expenditures in 2011 that were not included on the 2011 Schedule of Expenditures of Federal Awards. The 2011 expenditures are not included in the expenditure totals reported on the 2012 Schedule of Expenditures of Federal Awards.

(a) Under CFDA 93.283 "Centers for Disease Control and Prevention, Investigations and Technical Assistance," expenditures of \$1,500 were incurred in 2011, but identification of the costs for billing was delayed until 2012.

(b) Under CFDA 97.067 "Homeland Security Grant Program" contract 29A-2011-054, expenditures of \$592.28 were incurred in 2011, but identification of the costs for billing was delayed until 2012.